SHRI EDUARDO FALEIRO): (a) to (c) State Bank of India (SBI) has reported that SBI Capital Markets Ltd. (SBICAP), a subsidiary of SBI had, in 1987, arranged for placement of 13 per cent public sector bonds issued by Indian Petro Chemicals Ltd. (IPCL) with SBI. These bonds were subsequently offered for sale to the public for which SBICAP appointed about 350 brokers/agents including Peerless General Finance and Investment Co. Ltd. According to SBICAP this was a one time transaction with Peerless Co. and it has not been given any general status as SBICAP's brokers nor is there any standing arrangement with them.

According to information furnished by Reserve Bank of India, the Peerless Co. has not dealt with NTPC Bonds or units of Unit Trust of India as brokers.

Combing Operation in Mand area, Punjab

1707. SHRI PAWAN KUMAR BANSAL: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether combing operation was undertaken recently by the security forces in the 'Mand' (wild terrain) area in Punjab to apprehend terrorists hinding there;

(b) if so, what was the number of terrorists arrested or killed in the encounters during this operation;

(c) whether these arrests have led to further arrests of terrorists or of their harbourers elsewhere in the State: and

(d) if so, what has been the total impact of the operation on anti-terrorist drive in Punjab?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) to (d) The information is being collected and will be laid on the Table of the House.

Declaring Chandigarh as B-2 city

1708. SHRI PAWAN KUMAR BANSAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a longstanding demand for the declaration of Chandigarh as B-2 City for the purpose of house rent allowance to the employees;

(b) if so, what are the reasons for not according this status to Chandigarh; and

(c) what is Government's latest thinking on the subject?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) There is demand for declaration of Chandigarh as B-2 class city for the purpose of house rent allowance.

(b) As per extant criterion, cities/towns are classified for House Rent Allowance and Compensatory (City) Allowance on the basis of their population as revealed in the decennial census figures. In the classification of cities on the basis of their decennial census population, the population of only the municipal area of the city is taken into account for the purpose of grant of House Rent Allowance and the population of Urban Agglomeration of the city, wherever such Urban Agglomeration exists, otherwise municipal area of the city,is taken into account for grant of Compensatory (City) Allowance. However, House Rent Allowance as admissible in a city on the basis of its classification with reference to its population in the municipal area is also admissible in the Urban Agglomeration of the city. According to 1981 Census, the population of Chandigarh Urban Agglomeration was 4,22,841 and the population of Chandigarh (Estate Office Area) was 3,73,789. Since the population of Chandigarh Urban Agglomeration was over four lakhs on the basis of 1981 Census figures Chandigarh Urban Agglomeration has been accordingly classified as a B-2 city for Compensatory (City) Allowance. However, the population of Chandigarh

(Estate Office Area) was less than four lakhs, therefore, for the purpose of House Rent Allowance, Chandigarh could not qualify for classification as B-2 city.

(c) The Fourth Pay Commision have also recommended for continuance of the existing scheme of classification of cities for the purpose of House Rent Allowance and Compensatory (City) Allowance based on decennial census figures, which is also the thinking in Government.

Setting up of a Mineral Export Development Fund

@1709. SHRI KAMAL MORARKA: Will the Minister of COMMERCE be pleased to state:

(a) whether any proposal is being considered for setting up of a mineral export development fund; and

(b) if so, the salient features thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) No such proposal is under consideration of the Government.

(b) Does not arise.

Misuse of Royalty Concessions

1710. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is misuse of concessions offered in respect of royalty received from foreign companies;

(b) if so, how many cases have been brought to light during the assessment year 1987-88 and 1988-89; and

(c) what steps have been taken by Government to prevent such misuse?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) No specific case of misuse of concessions offered under section 80-0 of the Income-tax Act, 1961 in respect of royalty received from foreign companies has come to notice so far.

(b) and (c) Do not arise.

Representation received from unions/associations in Alipore Mint.

1711. SHRI SUKOMAL SEN:

SHRI RAMNARAYAN GOSWAMI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any representation dated the 31st October, 1987 from the different unions and associations functioning at Alipore Mint; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and

(b) Yes, Sir. In the Memorandum dated 31-10-87, the Steering Committee of the Unions have conveyed their apprehension about likely retrenchment of workers in case the Government decided to go ahead with the modernisation of the Mints, involving *inter alia*, entrustment of the work of manufacture of stainless steel coin blanks to any agency, other than the Mints and discontinuation of Manufacture of Aluminium-Magnesium 5 paise and 20 paise coins. The main points raised in the memorandum would be taken into account while taking a final decision on the proposals for the modernisation of the Mints.

@Previously Unstarred Question 1277 transferred from the 5th August, 1988.